



COVID 19 – during lockdown, retaining and developing existing clients can be your most productive business development

A major difficulty for professional firms is that unhappy clients will often not tell a firm that they are dissatisfied. Instead they will progressively use the firm less, or not at all, until the firm's work from them has disappeared. That has always occurred, even in good times but at the moment lack of client contact combined with pressures on clients to seek 'best value' are such that there is an even higher risk for firms of losing good clients to competitors.

1. Retaining your best clients

Do you know which of your clients may be 'at risk' of migrating elsewhere?

For example,

- which clients have you not heard from, spoken to, or visited during this pandemic?
- which clients have since March 2020 reduced the number and value of their instructions?
- which of these clients would you least want to lose?
- which of these clients may have issues with your firm, such as complaints?

How can firms prevent this happening and develop new work from clients at a time when face to face meetings with clients are difficult or even prohibited?

Law firms have taken different approaches to investment in listening to clients since the pandemic began. We have heard from some, that perhaps understandably, they have felt that *"we'd better not bother clients because they have so many challenges to deal with."*

Others feel that it is impossible to legitimately describe themselves as "trusted advisors" if they are not asking about their client contacts – both about their issues, but also as a "good friend in times of need". In terms of how these two approaches can be summarised as from a client perspective, they are *"they are ignoring us"* and *"they care about us"*.

The client – based research we have carried out consistently demonstrates that unless firms listen to their clients and act accordingly, then those clients will migrate to other firms. Here are some clients' perceptions about their 'at risk' advisers:

- *I don't think they show adequate interest in our business.*
- *They never visit or call, and they should if they want to increase the quality of the relationship.*

The key is putting yourself into your clients' shoes - not simply empathising but systematically analysing the client so that you understand their opportunities and challenges. It is what the best relationship partners have always done. This systematic and strategic approach can be taught and once within the firm DNA, provides a major boost for winning new clients and expanding existing clients' business. If you would like more information on how we can help you do this, please contact us.

Our research, based upon many firms' client interviews, shows that in about 1 in 6 cases there is a **risk of client loss of which a firm is unaware**. The economic cost and risks involved are significant and in difficult times as at present, **survival may be at stake**.

We are currently recommending to our clients while this COVID 19 pandemic continues, that they should in particular:

- Ensure that every partner and fee earner initiates and carries on a **continuous dialogue** with their clients, not only to let them know the firm still exists but also to understand what plans the clients have, what advice the clients may require now or in the future, and perhaps equally importantly, to show the clients that the firm also 'cares' about its clients;
- Obtain feedback from their key clients and others (such as referrers of work) that they **least want to lose**
- If it is discovered that there is a potential risk of losing a valued client, then determining the corrective action needed **to rescue** the relationship. Saving a client relationship in this way could be the most productive business development a firm undertakes.

"Protecting your backyard" in this way should be the most obvious and profitable step to take to ensure not only survival in an increasingly challenging environment but also one of the best ways to build long term competitive advantage over rivals. It is always easier to keep existing clients than to win new ones- especially in this current crisis where traditional face to face business development is often impossible.

2. Developing your existing clients

Research also shows that the cost and effort needed to ensure client satisfaction and thus the retention and development of good clients is many times less than the cost of trying to win new business from new clients.

Do you know which of your clients has hidden potential to grow that the firm has not identified?

For example,

- Do you know as a firm how much of your clients' legal work is going to your competitors and why you are not getting that work?
- How can you exploit this untapped potential for more work during this COVID 19 pandemic? Forward thinking firms are explicitly asking about how COVID19 has impacted plans, strategies, desired ways of working as well as other issues.

An effective system of client feedback should be alerting you to potential needs and triggers on a continuous basis for your clients. For example, the Thriving Company's "ClearerView" approach specifically identifies those clients with one or more needs in the next 12 months, and creates alerts for marketing teams and partners.

Here is a suggested way to do this and which can be implemented even in the current difficult environment. Some key suggested steps to take to develop and put in place a practical and workable methodology are as follows:

- o Map the client base (or say the top 50 clients by revenue) against the range of services / specialisms they have used from the firm in the last 24 months, as shown below:

Produce a matrix for each Partner to identify the gaps

Client / Specialism	Specialism 1	Specialism 2	Specialism 3	Specialism 4	Specialism 5
Client A	gap	used	gap	gap	used
Client B	gap	gap	used	gap	gap
Client C	gap	gap	used	gap	used
Client D	used	gap	gap	used	gap
Client E	gap	gap	used	gap	gap
Client F	used	gap	gap	gap	used

- As a pilot, take stock and brainstorm internally potential key issues for say six clients
- Identify gaps and potential areas of interest based on an initial view of likely issues for that client or the client feedback you have which explicitly identifies needs
- As part of a continuous dialogue with each client, undertake client reviews to ascertain what is of true value to the client
- Take each partner in turn and
 - identify say six clients each of which is spending a reasonable amount with the firm already, but for whom the firm is only providing a limited range of services
 - where your research shows that each of those clients is likely to have other needs for professional services (even if those services are provided by others)...
 - Identify a group of 'hungry' partners from each of the areas of work represented in the "gaps" to meet with each individual partner. Marketeers may want to facilitate the discussion (or use a 3rd party) and discuss in detail:
 - the needs of each of the six clients serviced by that partner as revealed by the research carried out; and
 - ways in which those other partners can be carefully introduced to the six clients with a view to getting to know them and their businesses and hopefully then winning work from them.
 - how many of the key decision makers are known to the firm and, where gaps exist,
 - approaches to build a broader relationship

Our experience tends to show that such a process is more likely to succeed if it is driven and overseen by say, a managing partner, because individual partners, if left to themselves are likely to find excuses not to carry it through. Again, systematising this approach into the firm's DNA will lead to long term gains. The building of trust and more effective dialogue between partners also generates many other collaborative benefits.

While such a 'matrix' approach may in normal times not necessarily produce immediate and dramatic results, over a sensible and realistic timeframe, with a consistently applied methodical approach and with appropriate effort and hard work, it will pay dividends in the form of more work from existing clients. It has also been used by us very effectively to boost growth after a merger.

On the other hand, in difficult times as at present, using the matrix approach to get in front of clients to begin a dialogue, to show clients you care and to obtain feedback from them, is likely to provide a more immediate financial payback to a firm.

Not only are you likely to identify and be able to rescue "at risk" clients, but at the same time you can move the mentality of partners, who hitherto may not have been prepared to allow access to 'their' clients, from **"what could I lose?"** to **"what can I gain?"**

And finally, put yourself in the clients' shoes, working out where they will have concerns and opportunities- both personally and as a firm; this systematic approach will bear dividends for years to come.

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